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BOARD OF PUBLIC UTILITIES
TRENTON, NJ
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MEMBER N.J., N.Y., & D.C. BAR

August 10, 2020

Board of Public Utilities
44 South Clinton Avenue
Trenton, New Jersey 08625

Re: Petition for Rulemaking
N.J.A.C. 14:1-5.16

Gentlemen:

I hereby petition the Board of Public Utilities to adopt the new rules described below. The response to last week's tropical storm by electric utilities was a debacle, demonstrating the urgent need for remedial action by the Board, including the adoption of rules to guarantee proper service to the public. As a resident, citizen and taxpayer of this State, and as a customer of one of the utilities (Jersey Central Power & Light Company), I have observed first-hand the circumstances that demonstrate the need for the new rules which I am proposing. My interest in the proposed rules is my concern about avoiding a reoccurrence of the personal and business interruptions which I suffered last week.

N.J.S.A. 48:2-23 provides, in pertinent part, that the Board may "require any public utility to furnish safe, adequate and proper service . . . and to maintain its property and equipment in such condition as to enable it to do so." More specifically, N.J.S.A. 48:3-96 provides,

a. The Board of Public Utilities shall adopt, pursuant to the "Administrative Procedure Act," P.L.1968, c.410 (C.52:14B-1 et seq.), standards for the inspection, maintenance, repair and replacement of the distribution equipment and facilities of electric public utilities. The standards may be prescriptive standards, performance standards, or both, and shall provide for high quality, safe and reliable service. The board shall also adopt standards for the operation, reliability and safety of such equipment and facilities during periods of emergency

or disaster. The board shall adopt a schedule of penalties for violations of these standards.

b. In adopting standards pursuant to this section, the board shall consider cost, local geography and weather, applicable industry codes, national electric industry practices, sound engineering judgment, and past experience.

c. The board shall require each electric public utility to report annually on its compliance with the standards adopted pursuant to this section, and the utility shall make these reports available to the public.

To date, the Board has failed, refused and neglected to adopt appropriate standards, leading to massive service disruptions and delayed repairs. This, in turn, has resulted in danger to the public, substantial inconvenience and tremendous cost to businesses and individuals.

Accordingly, the Board should immediately adopt the following new rules:

1. Automatic Outage Detection

Each electric utility shall, no later than December 31, 2020, install and maintain a system to detect immediately any outage or interruption in service. Such system shall notify a control center, manned on a 24-hour a day basis, of the exact location and nature of the outage or interruption.

Reason: with today's technology, waiting for telephone calls from customers to report an outage is an anachronism. Automatic electronic monitoring must report the full extent of an outage to the utility so that repairs can be undertaken at once.

2. Public Information

Each electric utility shall, no later than December 31, 2020, configure its website to display realtime street-level outage and restoration information. "Restoration information" means a specific timeline for restoration work to be completed, not "to be determined" or "unknown" or "depending on conditions" or other similar language.

Reason: with today's technology, maps that show only general town or neighborhood information are inadequate. Customers are entitled to have exact, current information on the extent of the outage and restoration efforts.

3. Relief

Each electric utility shall, no later than December 31, 2020, file a plan for the free distribution of water and ice to affected customers. Such plan shall include, but not be limited to, the distribution of water and ice in every municipality where more than 500 customers are affected by an outage of more than 6 hours' duration. No customer shall need to travel more than 2 miles to reach a water and ice distribution point. Where retail locations are not available, the electric utility shall provide water and ice by the use of refrigerated trucks.

Reason: customers are entitled to humanitarian relief in an emergency. JCP&L publishes a list that is outdated and practically useless, comprised of stores that have been long-closed and those without any knowledge of their responsibility in an emergency. JCP&L also deliberately avoids making water and ice available in municipalities with the greatest number of customers.

4. Salary Expenses

No electric utility shall include the salary or benefits of any employee who is compensated at a greater annual salary than that of the Governor of this State in its rate base (calculation of expenses to determine rates).

Reason: electric company executives receive compensation far in excess of that which is reasonable. The salary of the governor, the chief executive of this State, is an appropriate benchmark, and no electric utility official should be paid more than that. If a company does decide to pay its officials at a higher salary, that salary should be paid from its profits, not from its includable operating expenses in rate calculation.

Although Mr. Fakult's salary is not available, it appears that Mr. Jones, the president of First Energy (JCP&L's parent company) was paid \$8.6 million last year. While this is shocking to the conscience in view of FEC's poor performance, the salary paid to the numerous JCP&L executives is believed to be similarly outrageous. This

Board needs to guarantee that money is redirected to actual improvements in delivering service to customers, rather than to paying officials much more than they are worth.

Thank you for your consideration in this matter.

Very truly yours,



LARRY S. LOIGMAN

cc: Stefanie A. Brand, Esq.,
Division of Rate Counsel